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Financing of the United Nations Mission in the Central African Republic

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Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions (ACABQ) has considered the Secretary-General's report on the financial performance of the United Nations Mission in the Central African Republic (MINURCA) for the period from 27 March to 30 June 1998 (A/53/791) and the revised maintenance budget of MINURCA for the 12-month period from 1 July 1998 to 30 June 1999 and the proposed budget for the period from 1 July 1999 to 30 June 2000 (A/53/939). During its consideration of the reports, the Committee met with representatives of the Secretary-General who provided additional information.

Financial performance for the period from 27 March to 30 June 1998

2. In its resolution 52/249 the General Assembly had appropriated an amount of $18,560,600 gross ($18,335,500 net) for the establishment and operation of MINURCA for the period from 27 March to 30 June 1998. As indicated in the summary of the Secretary-General's report (A/53/791), expenditures for the period totalled $16,667,600 gross ($16,543,700 net), exclusive of budgeted voluntary contributions in kind in the amount of $916,900, resulting in an unencumbered balance of $1,893,000 gross ($1,791,800 net).

3. The unencumbered balance was attributable primarily to delays in the deployment of military contingents, civilian police, and international civilian vacancies. Operational costs for transport operations were reduced, due to favourable vehicle unit prices secured through a systems contract and cancellation of a requirement for the lease of armoured personnel carriers, while costs for air operations were reduced by a lower requirement of flying hours. Lower actual unit prices of equipment purchased, transfer of additional equipment from the United Nations Logistics Base, and cancellation of a requirement for night observation devices also contributed to reduced resource requirements.

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4. In paragraphs 19 and 20 of its report in document A/52/911, the Advisory Committee had made recommendations regarding arrangements established in MINURCA for the feeding of military contingents. In its resolution 52/249, the General Assembly had requested the Secretary-General to report on the implementation and efficiency of the system of providing allowances in lieu of rations to various contingents serving in the Mission. The Secretary-General has accordingly reported on this issue in section III of the performance report. The Advisory Committee was further assured that a mechanism was in place to ensure that the contingents received a balanced diet and that the external auditors were satisfied with these arrangements. For reasons given in paragraph 14 of the Secretary-General's report, the Secretariat has concluded that this special arrangement should remain specific to MINURCA.

5. The action to be taken by the General Assembly is to decide on the treatment of the unencumbered balance of $1,893,000 gross ($1,791,800 net) for the period from 27 March to 30 June 1998. The Advisory Committee recommends that Member States be credited their respective shares of the unencumbered balance for the period in question, in a manner to be determined by the Assembly.

Revised cost estimates for the period from 1 July 1998 to 30 June 1999

6. As indicated in the Secretary-General's report (A/53/939), on a full-cost basis, the revised budget for the period from 1 July 1998 to 30 June 1999 amounts to $65,863,850 gross ($64,678,250 net), inclusive of budgeted voluntary contributions in kind of $2,448,200. It represents an increase of some 35.9 per cent ($17.4 million) in gross terms compared with resources of $48.5 million gross (inclusive of budgeted voluntary contributions in kind of $1.2 million) initially made available to MINURCA for the period from 1 July 1998 to 28 February 1999.

7. The increase is primarily attributable to the extension of MINURCA's mandate beyond 28 February 1999, a change in the military logistical arrangements effective 1 March 1999 after the departure of the French logistical support contingent and the subsequent assumption by the Mission of some of the functions — in particular, buildings and facilities management and maintenance, engineering services and minor repairs, and vehicle maintenance and repair.

8. The increase is also attributable to the proposed addition to the civilian staffing establishment of 8 international and 38 local staff posts, 13 United Nations Volunteers and 86 general temporary assistance positions (for general maintenance and cleaning services). The revised budget for the period from 1 July 1998 to 30 June 1999 is therefore based on the maintenance of 1,350 military contingent personnel, 24 civilian police officers supported by the increased (from 1 March 1999) civilian staffing establishment of 114 international staff, 111 local staff and 13 United Nations Volunteers. The Committee notes the information on additional staffing requirements contained in part VIII, section C, paragraphs 17–19 of the Secretary-General's report. The Advisory Committee requested and was provided with information on the specific job requirements of the eight additional international posts.

9. As indicated in paragraph 24 (part IX) of the Secretary-General's report, the revised 1998–1999 budget provides for the upgrade of the communications and billing systems and for the replacement of non-compliant electronic data-processing (EDP) equipment, following a review of MINURCA's EDP and communications operations for compliance with the year 2000 requirements. The Advisory Committee was informed that additional costs associated

with the upgrade of communications and billing systems were $25,000, while for replacement of EDP equipment, the costs were estimated at $137,000, exclusive of freight charges.

10. The Advisory Committee was informed that as at 3 May 1999 unliquidated obligations for the period from 1 July 1997 to 30 June 1998 totalled $4.1 million, while the cash position as of the same date was $1.7 million. With regard to the status of contributions, of the total amount of $47 million assessed for the period from 27 March to 30 November 1998, an amount of $31.1 million had been received, leaving an outstanding balance due of $15.9 million.

11. With regard to the status of reimbursement to troop-contributing Member States, the Committee was informed that troop costs in an amount of $2 million had been reimbursed from 15 April to 31 May 1998, while the amount owed was $15.7 million for the period from 1 June 1998 to 30 April 1999. With regard to reimbursement for contingent-owned equipment and self-sustainment, as at 31 March 1999, an amount of $5.6 million, representing a cumulative estimated amount since inception of the Mission, was owed to Member States, with a related amount of $5.6 million shown against unliquidated obligations.

12. The Advisory Committee recommends acceptance of the Secretary-General's proposal to appropriate and assess the amount of $34,309,800 gross ($33,860,700 net) for the Mission for the 12-month period from 1 July 1998 to 30 June 1999, inclusive of the commitment authority of $18,111,200 gross ($17,728,700 net) granted by the Advisory Committee for the period from 1 December 1998 to 28 February 1999.

Cost estimates for the period from 1 July 1999 to 30 June 2000

13. As indicated in paragraph 4 of the Secretary-General's report (A/53/939), the proposed 1999–2000 budget amounts, on a full-cost basis, to $32,167,200 gross ($31,372,000 net), inclusive of budgeted voluntary contributions in kind of $784,400. It provides for the maintenance of 1,350 military contingent personnel, 24 civilian police officers supported by a civilian staffing establishment of 114 international staff, 111 local staff and 13 United Nations Volunteers for the period from 1 July to 15 November 1999 and for the liquidation of the Mission thereafter.

14. As indicated in the Secretary-General's report, the budget does not reflect costs associated with MINURCA's role in the conduct of presidential elections; requirements in that regard would be determined at a later time.

15. The proposed budget, on a full-cost basis, represents a decrease of some 50 per cent ($32.2 million) in gross terms compared with the revised budget of $64.4 million gross (exclusive of $1.5 million for the support account for peacekeeping operations) proposed for the financial period from 1 July 1998 to 30 June 1999. The decrease is attributable to the termination of the Mission on 15 November 1999 and its subsequent liquidation and, as indicated in the paragraph above, does not include costs associated with the anticipated elections.

16. The Advisory Committee notes the information in part IV of the Secretary-General's report (A/53/939) regarding contributions made under the status-of-forces agreement. On enquiry, the Advisory Committee was informed that the value of office and accommodation space provided to MINURCA by the Government of the Central African Republic was

estimated at approximately $100,000 per month, based on the prevailing market rate for rental of premises in the Mission area.

17. The Advisory Committee was provided with up-to-date information with regard to the Trust Fund for the support of activities of MINURCA which was established on 20 April 1998. As at 30 April 1999, contributions totalled $869,580. Allotments were issued in the amount of $231,869, while as at 30 April 1999, expenditures amounted to $121,418.

18. The Advisory Committee is of the opinion, on the basis of the information contained in paragraphs 10–12 of annex I.D of the Secretary-General's report (A/53/939), that the estimates for salaries of international and locally recruited staff have been prepared on a sound and realistic basis. The cost estimates take into account a projected 10-per-cent vacancy rate for international and local staff for the period from 1 March to 15 November 1999 and reflect the anticipated full incumbency during the liquidation period thereafter.

19. The Advisory Committee questioned the increase in travel costs. The Committee was informed that, after the withdrawal of the French logistical contingent, additional travel requirements during the period beginning 1 July 1998 became necessary to provide logistical and training assistance to the Mission (see paras. 7–8 above).

20. Similarly, with regard to the additional requirements for premises/accommodation, as indicated in paragraph 15 of annex I. D, after the withdrawal of the French logistical contingent, the Mission was required to assume additional functions related to the engineering support, repairs and maintenance of Camp M'kopo. Accordingly, the resources indicated in paragraph 15 are to support these tasks as well as to upgrade the camp's infrastructure (see paras. 7–8 above).

21. A monthly cost of $16,800 has been estimated for the provision of security services (annex II, item 30). On enquiry, the Advisory Committee was informed by the representatives of the Secretary-General that, given the various existing factors in the Mission area, these services were considered necessary.

22. The Advisory Committee recalls that for peacekeeping special accounts, the General Assembly had in the past approved special arrangements with regard to the application of article IV of the Financial Regulations of the United Nations, whereby any unliquidated obligations relating to goods supplied and services rendered by Governments providing contingents and/or logistic support to peacekeeping operations would remain valid for an additional period of four years, following the end of the 12-month period provided for in regulation 4.3.

23. The Advisory Committee was informed that with regard to MINURCA, there are certain obligations that were raised in the Mission's special account during the 1997–1998 financial period for troop costs and reimbursement of troop-contributing Governments for contingent-owned equipment; these obligations need to be retained beyond the end of the 12-month period provided for in regulation 4.3. By a letter dated 14 May 1999 addressed to the Chairman of the Advisory Committee, the Controller has proposed that special arrangements, as approved by the General Assembly in its resolution 45/265 of 17 May 1991, be applied to MINURCA. The Advisory Committee recommends acceptance of this proposal.

24. Bearing in mind its comments and observations in the paragraphs above, the Advisory Committee recommends that the General Assembly appropriate and assess an additional amount of $31,382,800 gross ($30,587,600 net) for the period from 1 July 1999 to 30 June 2000.